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7 | Attorneys for Gabriel Barroso and Margarita Barroso

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

1 Plaintiffs Gabriel Barroso and Margarita Barroso (the “Barrosos” or “Plaintiffs”),
2 as for their Complaint against Defendant, Monica Nicole Olivas, allege as follows:
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4 **JURISDICTION AND VENUE**

5 1. This action is a core proceeding pursuant to 28 U.S.C. § 1337(b)(2)(A), (I),
and (O).

6 2. This Court has jurisdiction over this proceeding pursuant to 28 U.S.C.
7 §§ 1337 and 1334 and 11 U.S.C. § 523. Venue is proper in this Court pursuant to 28 U.S.C.
8 § 1409(a).

9 **SUMMARY**

10 3. This action arises out of Ms. Olivas’ participation in a small, but
11 sophisticated Ponzi scheme run by Ms. Olivas’ boyfriend Leonardo Garcia (“Mr. Garcia”) to
12 defraud the Barrosos of their real estate investment. Not only did Ms. Olivas know of the
13 scheme and fail to correct Mr. Garcia’s misrepresentations or disclose his fraudulent intent to the
14 Barrosos, but Ms. Olivas actively facilitated the scheme by executing documents central to the
15 efforts to avoid returning the Barrosos’ investment.

16 4. The scheme, and Ms. Olivas’ participation in the scheme, can be
17 summarized as follows: Ms. Olivas and Mr. Garcia (for whom Ms. Olivas worked) aggressively
18 marketed an entity called Casas & Estates on the radio to prospective investors as a company
19 offering legitimate-sounding real estate investment opportunities with a promise of regularly
20 paid high returns. The Barrosos were induced to invest \$50,000 with Ms. Olivas and Mr. Garcia,
21 with the promise of 25% annual interest and a security interest in real property located at 9437
22 Karen Avenue, California City, CA (the “Karen Avenue Property”). At various times, the
23 Barrosos sought to withdraw their investment; each time, they were induced by Mr. Garcia and
24 Ms. Olivas to reinvest with the promise that their investments would continue to be secured by
25 the Karen Avenue Property.

26 5. Neither Ms. Olivas nor Mr. Garcia properly recorded the deeds, however,
27 depriving the Barrosos of their security interest. Ms. Olivas signed notes and deeds in favor of
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1 the Barrosos knowing that neither she nor Mr. Garcia intended to record the deeds to provide the
2 Barrosos with their agreed-upon security. Ms. Olivas did not disclose this information to the
3 Barrosos. In fact, Mr. Garcia transferred the Karen Avenue Property to Ms. Olivas for no
4 consideration. Ms. Olivas subsequently sold the Karen Avenue Property without informing the
5 Barrosos, thereby wrongfully depriving the Barrosos of the security for their investment, and
6 used the proceeds to purchase in her own name property located at 7513 South San Pedro Street,
7 Los Angeles, California (the “San Pedro Property”).

8 6. On or about January 1, 2008, Ms. Olivas and Mr. Garcia’s scheme
9 collapsed, and they failed to return any of the Barrosos’ initial investment or promised interest.
10 As a result, the Barrosos filed a complaint against Ms. Olivas and Mr. Garcia in November,
11 2011, and subsequently amended that complaint in August, 2012 (the “Prepetition Complaint”).
12 The Prepetition Complaint asserted causes of action for fraud, fraudulent conveyance, alter ego,
13 breach of contract, breach of implied covenant of good faith and fair dealing, unjust enrichment,
14 and imposition of constructive trust.

15 7. Thereafter, on or about September 28, 2012, Ms. Olivas, Mr. Garcia and
16 the Barrosos entered into a settlement agreement (the “Settlement Agreement”) to resolve the
17 matters addressed in the Prepetition Complaint. Pursuant to the Settlement Agreement, Ms.
18 Olivas and Mr. Garcia agreed to pay the Barrosos \$50,000 by April 8, 2013. To secure payment
19 of this settlement amount, Ms. Olivas executed a deed of trust related to the San Pedro Property
20 in favor of the Barrosos. Although the parties contemplated that the settlement amount would be
21 paid from the proceeds of the sale of the San Pedro Property—which Ms. Olivas and Mr. Garcia
22 represented would be put up for sale at the time of the Settlement Agreement—the San Pedro
23 Property was not even listed for sale until mere weeks before payment was due under the
24 Settlement Agreement. Upon the failure of Ms. Olivas and Mr. Garcia to pay the settlement
25 amount, the Barrosos obtained a judgment against Ms. Olivas for \$50,821.92 plus 10% interest
26 per annum, accruing on and after June 7, 2013 (the “Prepetition Judgment”). Additional
27 enforcement actions were stayed by Ms. Olivas’ and Mr. Garcia’s subsequent bankruptcy filings.
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1 8. The Barrosos bring this action to contest the dischargeability of the debt
2 owed to them under the Prepetition Judgment (listed in Ms. Olivas Schedule D filed in this
3 bankruptcy proceeding [Doc. No. 10]), which itself arises from the underlying fraud claims
4 asserted in the Prepetition Complaint and resolved through the Settlement Agreement).

THE PARTIES

6 9. Plaintiff Gabriel Barroso (“Mr. Barroso”) is an individual residing in
7 Riverside County, California.

8 10. Plaintiff Margarita Barroso (“Mrs. Barroso”) is an individual residing in
9 Riverside County, California.

11. On information and belief, Defendant Monica Nicole Olivas is an
individual residing in Los Angeles County, California.

GENERAL ALLEGATIONS

I. The Original Investment

12. In or about 2005, Casas & Estates, through Mr. Garcia, heavily advertised
real estate investment opportunities in California City, California on AM radio channel 860
every Thursday and Saturday. In the advertisement, Mr. Garcia promised to pay interest to
investors every six (6) months on investments of \$50,000 or more, at the rate of 25% per year.

13. The Barrosos, a married couple in their late sixties, listened regularly to
19 the Casas & Estates advertisements on the radio, and in early February 2006 contacted Mr.
20 Garcia about the investment opportunity. Mr. Garcia invited the Barrosos to the Casas & Estates
21 office to explain the purported investment opportunity in more detail.

14. On or about February 16, 2006, the Barrosos met with Mr. Garcia at the
23 office of Casas & Estates. The stated purpose of the investment was to provide "construction"
24 money for specific parcels of property that Mr. Garcia and/or his alter ego Casas & Estates were
25 acquiring or had acquired. Mr. Garcia solicited \$50,000 from the Barrosos based on the
26 assurance that in six months, on August 16, 2006, the Barrosos would receive their principal plus
27 interest at the rate of 25% per annum. Although the contract speaks in terms of "25% per

1 annum," because interest was to be paid at the end of six months, the expected return was
2 actually \$6,250. Thus, at the end of the six months the Barrosos would receive \$6,250,
3 representing half of the yearly expected interest. At the meeting, the Barrosos signed an
4 investment contract to this effect and tendered their investment.

5 15. The investment was arranged and solicited through representations to the
6 Barrosos that the investment would be secured by a recorded assignment of beneficial interests in
7 the Karen Avenue Property.

8 16. On information and belief, Mr. Garcia purchased the Karen Avenue
9 Property on or about October 7, 2005, and title to the Karen Avenue Property was thereafter held
10 in Mr. Garcia's name.

11 17. Thus, on or about March 2, 2006, the Barrosos were presented with an
12 executed note and trust deed. Mr. Garcia executed a Note Secured by a Deed of Trust (the
13 "March 2006 Note") for the principal sum of \$50,000, with \$6,250 in interest to be paid on or
14 before August 17, 2006.

15 18. Concurrently with the signing of the March 2006 Note, on or about March
16 2, 2006 Mr. Garcia executed a Short Form Deed of Trust and Assignment of Rents (the "2006
17 Deed") purporting to grant the Barrosos a secured interest in the Karen Avenue Property. The
18 2006 Deed stated that Gabriel and Margarita Barroso were the trustees and beneficiaries.

19 19. At all times relevant herein, the Barrosos reasonably relied upon Mr.
20 Garcia and Ms. Olivas for expertise and to ensure that the trust deed investment transaction was
21 correct and legitimate, and properly executed and recorded.

22 20. Unbeknownst to the Barrosos, Mr. Garcia failed to record the 2006 Deed,
23 leaving the Barrosos as unsecured creditors in a scheme to defraud them of their savings. On or
24 about August 18, 2006, the Barrosos received a check from Mr. Garcia in the amount of \$6,250
25 for interest on their initial investment. However, the Barrosos did not receive their original
26 investment back. Instead, Mr. Garcia discouraged the Barrosos from withdrawing their capital.

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1 21. Ms. Olivas was aware of the circumstances of the Barrosos' initial
2 investment as she worked with Mr. Garcia to help with the initial contract and served as a
3 witness to the meetings.

4 **II. The First Reinvestment**

5 22. Thus, on or about August 18, 2006, the Barrosos rolled over their \$50,000
6 investment. Mr. Garcia assured the Barrosos that the purpose and procedure as set forth in the
7 initial investment meeting would be the same for subsequent investments. The Barrosos were
8 provided an executed Note Secured by a Deed of Trust (the "August 2006 Note").

9 23. The August 2006 Note provided that on or before February 18, 2007, Mr.
10 Garcia would pay to Gabriel and Margarita Barroso the sum of \$50,000 plus interest at 25% per
11 annum in the amount of \$6,250. The August 2006 Note was executed by Mr. Garcia.

12 24. Ms. Olivas explained the terms of the August 2006 Note to the Barrosos.
13 Ms. Olivas was aware that although Mr. Garcia signed the August 2006 Note to secure the
14 Barrosos' investment, he did not intend to return the Barrosos' investment. Ms. Olivas was also
15 aware that Mr. Garcia did not intend to record the 2006 Deed. Ms. Olivas failed to disclose any
16 of this information to the Barrosos.

17 **III. The Second Reinvestment And Transfer Of The Karen Avenue Property To Ms.
Olivas**

18 25. On or about February 18, 2007, the Barrosos received a check from Mr.
19 Garcia in the amount of \$6,250 for interest on their continued investment. However, the
20 Barrosos did not receive their original investment back. Instead, Mr. Garcia again encouraged
21 the Barrosos to refrain from withdrawing their capital and to reinvest.

22 26. Thus, on or about February 18, 2007, the Barrosos rolled over their
23 \$50,000 investment. Mr. Garcia again assured the Barrosos that the purpose and procedure as set
24 forth in the initial investment meeting would be the same for subsequent investments. The
25 Barrosos and Mr. Garcia executed an investment contract on Casas & Estates letterhead (the
26 "Investment Contract"), which provided that the Barrosos would receive interest at the rate of
27 25% back on their original investment of \$50,000 within a twelve-month period. The Investment
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1 Contract was set to expire on February 18, 2008. A true and correct copy of said Investment
2 Contract is attached hereto, marked as Exhibit "1," and incorporated herein by reference.

3 27. On or about August 23, 2007, Mr. Garcia transferred the Karen Avenue
4 Property to Ms. Olivas. Mr. Garcia received no value whatsoever in return for the Karen Avenue
5 Property. On information and belief, the transfer was made with Mr. Garcia's and Ms. Olivas'
6 actual intent to hinder, delay and/or defraud the Barrosos, and the transfer left Mr. Garcia
7 insolvent and without assets sufficient to cover his business obligations, including with respect to
8 his obligations to the Barrosos.

9 28. Neither Ms. Olivas nor Mr. Garcia informed the Barrosos of the transfer of
10 the Karen Avenue Property to Ms. Olivas for no value.

11 **IV. The Breach Of The Investment Contract And Ms. Olivas Continued Participation
12 In The Scheme To Defraud The Barrosos**

13 29. On or about January 1, 2008, the Barrosos contacted Mr. Garcia to inform
14 him they did not want to reinvest their initial investment for \$50,000 at the end of the current
15 contract period. Mr. Garcia bewailed and bemoaned, claiming that the real estate market was
16 down, and therefore he did not intend to perform according to the Investment Contract. Thus,
17 Mr. Garcia informed the Barrosos that not only would he not pay them any of their interest, but
he would also not return their original investment.

18 30. On February 18, 2008, Defendants failed to repay the initial investment
19 plus 25% interest, thus resulting in a breach under the Investment Contract.

20 31. The breach continuing, Defendants sought to satisfy their indebtedness by
21 offering an improper tender of another Note Secured by a Deed of Trust (the "March 2008
22 Note") on or about March 13, 2008, in the principal sum of \$50,000, executed by Jennifer
23 Hamby ("Ms. Hamby") in favor of Mr. Barroso. The Barrosos had never met Ms. Hamby, nor
24 did Mr. Garcia explain Ms. Hamby's role in the purported investment.

25 32. Concurrently with the making, execution and delivery of the March 2008
26 Note, Ms. Hamby executed a Short Form Deed of Trust and Assignment of Rents (the "March
27 2008 Deed") for a vacant lot in California City, California. The March 2008 Deed was
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1 purportedly given by Mr. Garcia to the Barrosos as security for repayment of the March 2008
2 Note.

3 33. Unbeknownst to the Barrosos, Mr. Garcia and Ms. Hamby never recorded
4 the March 2008 Deed. In fact, at the time Mr. Garcia and Ms. Hamby made, executed and
5 delivered to the Barrosos the March 2008 Note and Deed, Ms. Hamby, as trustor, did not have
6 the right, power or authority to grant and convey to the Barrosos a deed of trust lien on the
7 subject parcel of real property.

8 34. The Barrosos rejected the improper tender of the March 2008 Deed and
9 Note, and on or about April 11, 2008, the Barrosos sent a letter to Mr. Garcia demanding
10 immediate and full repayment of the investment and interest.

11 35. The prior offer having been rejected and the breach still existing, on or
12 about July 3, 2008, the Barrosos met with Ms. Olivas and Mr. Garcia in an effort to try to satisfy
13 the debt. Mr. Garcia introduced Ms. Olivas as his “common-law wife.” In an attempt to try and
14 satisfy the debt, Ms. Olivas executed a Note Secured by a Deed of Trust, in favor of the
15 Barrosos’ son, Luis Barroso, (the “July 2008 Note”) for the Barrosos’ original investment of
16 \$50,000, with an additional \$10,000 in interest to be paid on or before July 3, 2017. The July
17 2008 Note provided for payments in monthly installments of \$500 on the first day of each
18 month. The July 2008 Note further provided that in the event any payment is not paid within
19 five days of the due date, the trustor shall pay an additional 5% interest on each payment due. A
20 true and correct copy of said July 2008 Note is attached hereto, marked as Exhibit “2” and
21 incorporated herein by reference.

22 36. Concurrently with the signing of the July 2008 Note, Ms. Olivas executed
23 a Short Form Deed of Trust and Assignment of Rents in favor of the Barrosos’ son, Luis Barroso
24 (the “July 2008 Deed”). The July 2008 Deed was executed by Ms. Olivas on July 3, 2008,
25 purporting to grant the Barrosos a secured interest in the Karen Avenue Property. A true and
26 correct copy of said July 2008 Deed is attached hereto, marked as Exhibit “3” and incorporated
27 herein by reference.

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1 37. Mr. Garcia represented to the Barrosos that Ms. Olivas was signing the
2 July 2008 Note and July 2008 Deed because Ms. Olivas, rather than Mr. Garcia, would be
3 making the payments under the agreement.

4 38. Although Ms. Olivas was present when Mr. Garcia represented to the
5 Barrosos that their investment would be secured by the Karen Avenue Property, Ms. Olivas
6 never intended to record the deed.

7 39. At all times herein relevant, the Barrosos reasonably relied upon Ms.
8 Olivas and Mr. Garcia for expertise and to make certain that the July 2008 Deed was correct and
9 legitimate, and properly executed and recorded.

10 40. The Barrosos received seven payments from Ms. Olivas between July
11 2008 until February 2009, when the last payment was received. Mr. Garcia gave verbal notice to
12 the Barrosos that neither he nor Ms. Olivas intended to perform further under either the
13 Investment Contract or the July 2008 Note until the Karen Avenue Property was sold.

14 41. As of March 1, 2009, Ms. Olivas and Mr. Garcia failed to pay their
15 monthly installments in partial satisfaction of the debt, resulting in a default under the July 2008
16 Note.

17 42. Upon information and belief, Mr. Garcia and Ms. Olivas failed to record
18 the July 2008 Deed, and on March 4, 2010, Ms. Olivas sold the Karen Avenue Property to a bona
19 fide purchaser for value. Ms. Olivas never informed the Barrosos of her intention, or sought
20 their permission, to sell the Karen Avenue Property.

21 43. Upon information and belief, Ms. Olivas used the proceeds from the sale
22 of the Karen Avenue Property to invest in the San Pedro Property, to which she took and held
23 title in her own name.

24 44. The breach of the Investment Contract continuing and not being fully
25 satisfied by the July 2008 note which was also breached, on or about February 11, 2011, the
26 Barrosos sent a letter to Mr. Garcia demanding the immediate and full repayment of the amount
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1 outstanding under the Investment Contract, which was \$46,5000, not including the interest of
2 \$10,000 and the 5% late charge.

3 **V. The Prepetition Complaint And Settlement Agreement**

4 45. On November 16, 2011, the Barrosos filed a complaint for damages
5 against Ms. Olivas, Mr. Garcia, and certain other related entities in the California Superior Court
6 for the County of Los Angeles (Case No. BC473634). On August 20, 2012, the Barrosos filed
7 an amended complaint to add additional counts and to conform the factual allegations to the facts
8 elicited through the initial phase of discovery.

9 46. On or about September 28, 2012, the Barrosos, Ms. Olivas, and Mr.
10 Garcia entered into the Settlement Agreement resolving all of their disputes related to the
11 Prepetition Complaint. Under the Settlement Agreement, Ms. Olivas and Mr. Garcia agreed to
12 pay \$50,000 by the sooner of April 8, 2013 or five days after the close of escrow on the San
13 Pedro Property. Ms. Olivas executed a deed of trust on the San Pedro Property in favor of the
14 Barrosos.

15 47. Ms. Olivas and Mr. Garcia represented to the Barrosos that they intended
16 to sell the San Pedro Property to generate the funds necessary to pay the \$50,000 settlement
17 amount. On information and belief, Ms. Olivas did not intend to pay the \$50,000 settlement
18 amount, and, contrary to the representations made to the Barrosos, did not attempt to sell the San
19 Pedro Property until March 15, 2013, just a matter of weeks before the settlement payment was
20 due.

21 48. On May 10, 2013, after the failure of either Ms. Olivas or Mr. Garcia to
22 pay the settlement amount, the Barrosos sought to enforce the Settlement Agreement. On
23 September 11, 2013, the state court entered the Prepetition Judgment against Ms. Olivas pursuant
24 to section 664.6 of the California Code of Civil Procedure, stating that Ms. Olivas would be
25 liable to the Barrosos for \$50,821.92, and interest on that sum at 10% per annum accruing on and
26 after June 7, 2013. A true and correct copy of the Prepetition Judgment is attached hereto as
27 Exhibit "4" and incorporated herein by reference.

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49. Prior to the completion of attachment proceedings, Ms. Olivas filed this bankruptcy petition.

CAUSES OF ACTION

VI. First Claim For Relief – 11 U.S.C. § 523(a)(2)(A)

50. The Barrosos re-allege and fully incorporate by reference all preceding paragraphs of this Complaint as if fully set forth herein.

51. Ms. Olivas participated in the scheme to defraud the Barrosos of their investment through false pretenses, a false representation, or actual fraud.

9 52. Prior to entering into the Investment Contract, and for the duration of the
10 Barrosos' investment, Mr. Garcia represented that the investment would be secured by recorded,
11 beneficial interests in real property. The security interest was meant to induce the Barrosos into
12 investing money with Mr. Garcia, Ms. Olivas and Casas & Estates. Ms. Olivas was present at
13 the time these representations were made and aware of such representations.

14 53. Neither Ms. Olivas nor Mr. Garcia recorded the deeds. Ms. Olivas did not
15 intend to record the deeds, and she was aware that Mr. Garcia had no intention of recording the
16 deeds. Ms. Olivas failed to disclose any of this material information to the Barrosos.

17 54. Mr. Garcia transferred the Karen Avenue Property (which was supposed
18 to secure the Barrosos' investment) to Ms. Olivas for no value. Ms. Olivas failed to disclose any
19 of this material information to the Barrosos.

20 55. In addition to the fraudulent misrepresentations described above, Ms.
21 Olivas engaged in affirmative fraudulent conduct by executing notes evidencing the debts owed
22 to the Barrosos and deeds purporting to secure such debt.

23 56. Ms. Olivas' participation in this scheme continued even after the Barrosos
24 filed the Prepetition Complaint. As part of the Settlement Agreement, Ms. Olivas represented
25 that she intended to sell the San Pedro Property to generate the funds to pay the amount required
26 under the Settlement Agreement. Nevertheless, Ms. Olivas failed to take any steps to market and
27 sell the San Pedro Property until March 15, 2013.

1 57. At all times, the Barrosos reasonably relied on the representations made by
2 Ms. Olivas and Mr. Garcia regarding their security interest in the Karen Avenue Property. The
3 Barrosos would not have invested with Ms. Olivas, Mr. Garcia, and Casas & Estates if they knew
4 they were not receiving a security interest in the Karen Avenue Property.

5 58. As a direct and proximate result of the foregoing conduct, the Barrosos
6 have been damaged by the failure of Ms. Olivas and Mr. Garcia to (i) return the initial \$50,000
7 principal investment, and (ii) properly record the deed on the Karen Avenue Property, preventing
8 the Barrosos from foreclosing on that property.

9 59. In sum, Ms. Olivas' made false and misleading representations that she
10 knew to be false, and further knew that she was omitting material facts, the absence of which
11 would mislead the Barrosos. Ms. Olivas nonetheless made said false representations, and/or
12 failed to provide the Barrosos with necessary material facts. The Barrosos were ignorant of the
13 falsity thereof and/or the true facts, and reasonably believed the representations to be true,
14 complete, and honestly made under the circumstances. Absent said representations and failures
15 to provide material facts, the Barrosos would not have entered into the Investment Contract
16 and/or made the payments provided therein.

17 60. The foregoing conduct of Ms. Olivas and Mr. Garcia constituted
18 intentional misrepresentations designed to deprive the Barrosos of their money, contractual and
19 legal rights, and/or otherwise intentionally to cause the Barrosos injury.

20 **REQUEST FOR RELIEF**

21 61. Wherefore, the Barrosos respectfully request this Court (i) deny Ms.
22 Olivas a discharge of any debt claimed by the Barrosos, specifically including the debt listed on
23 Ms. Olivas Schedule D as evidenced by the Prepetition Judgment; and (ii) grant such other relief
24 as the Court finds just and equitable.

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1 DATED: July 7, 2014

SIDLEY AUSTIN LLP

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By:/s/ Shawn C. Luna

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Attorneys for Gabriel Barroso and Margarita
Barroso

ADVERSARY PROCEEDING COVER SHEET (Instructions on Page 2)		ADVERSARY PROCEEDING NUMBER (Court Use Only)												
PLAINTIFFS Gabriel Barroso and Margarita Barroso		DEFENDANTS Monica Nicole Olivas												
ATTORNEYS (Firm Name, Address, and Telephone No.) Amy P. Lally, Shawn C. Luna, Christopher C. Munsey, and Laura L. Richardson SIDLEY AUSTIN LLP 555 West Fifth Street, Suite 4000 Los Angeles, CA 90013 Phone: (213) 896-6000		ATTORNEYS (If Known) Luis G. Torres 1712 W. Beverly Blvd., Suite 202 Phone: (323) 887-1150												
PARTY (Check One Box Only) <table style="margin-left: auto; margin-right: auto;"> <tr> <td><input type="checkbox"/> Debtor</td> <td><input type="checkbox"/> U.S. Trustee/Bankruptcy Admin</td> </tr> <tr> <td><input checked="" type="checkbox"/> Creditor</td> <td><input type="checkbox"/> Other</td> </tr> <tr> <td><input type="checkbox"/> Trustee</td> <td></td> </tr> </table>		<input type="checkbox"/> Debtor	<input type="checkbox"/> U.S. Trustee/Bankruptcy Admin	<input checked="" type="checkbox"/> Creditor	<input type="checkbox"/> Other	<input type="checkbox"/> Trustee		PARTY (Check One Box Only) <table style="margin-left: auto; margin-right: auto;"> <tr> <td><input checked="" type="checkbox"/> Debtor</td> <td><input type="checkbox"/> U.S. Trustee/Bankruptcy Admin</td> </tr> <tr> <td><input type="checkbox"/> Creditor</td> <td><input type="checkbox"/> Other</td> </tr> <tr> <td><input type="checkbox"/> Trustee</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Debtor	<input type="checkbox"/> U.S. Trustee/Bankruptcy Admin	<input type="checkbox"/> Creditor	<input type="checkbox"/> Other	<input type="checkbox"/> Trustee	
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CAUSE OF ACTION (WRITE A BRIEF STATEMENT OF CAUSE OF ACTION, INCLUDING ALL U.S. STATUTES INVOLVED) Determination of non-dischargeability of particular debt pursuant to 11 U.S.C. § 523(a)(2)														
NATURE OF SUIT (Number up to five (5) boxes starting with lead cause of action as 1, first alternative cause as 2, second alternative cause as 3, etc.)														
FRBP 7001(1) – Recovery of Money/Property <ul style="list-style-type: none"> <input type="checkbox"/> 11-Recovery of money/property - §542 turnover of property <input type="checkbox"/> 12-Recovery of money/property - §547 preference <input type="checkbox"/> 13-Recovery of money/property - §548 fraudulent transfer <input type="checkbox"/> 14-Recovery of money/property - other 		FRBP 7001(6) – Dischargeability (continued) <ul style="list-style-type: none"> <input type="checkbox"/> 61-Dischargeability - §523(a)(5), domestic support <input type="checkbox"/> 68-Dischargeability - §523(a)(6), willful and malicious injury <input type="checkbox"/> 63-Dischargeability - §523(a)(8), student loan <input type="checkbox"/> 64-Dischargeability - §523(a)(15), divorce or separation obligation (other than domestic support) <input type="checkbox"/> 65-Dischargeability - other 												
FRBP 7001(2) – Validity, Priority or Extent of Lien <ul style="list-style-type: none"> <input type="checkbox"/> 21-Validity, priority or extent of lien or other interest in property 		FRBP 7001(7) – Injunctive Relief <ul style="list-style-type: none"> <input type="checkbox"/> 71-Injunctive relief – imposition of stay <input type="checkbox"/> 72-Injunctive relief – other 												
FRBP 7001(3) – Approval of Sale of Property <ul style="list-style-type: none"> <input type="checkbox"/> 31-Approval of sale of property of estate and of a co-owner - §363(h) 		FRBP 7001(8) Subordination of Claim or Interest <ul style="list-style-type: none"> <input type="checkbox"/> 81-Subordination of claim or interest 												
FRBP 7001(4) – Objection/Revocation of Discharge <ul style="list-style-type: none"> <input type="checkbox"/> 41-Objection / revocation of discharge - §727(c),(d),(e) 		FRBP 7001(9) Declaratory Judgment <ul style="list-style-type: none"> <input type="checkbox"/> 91-Declaratory judgment 												
FRBP 7001(5) – Revocation of Confirmation <ul style="list-style-type: none"> <input type="checkbox"/> 51-Revocation of confirmation 		FRBP 7001(10) Determination of Removed Action <ul style="list-style-type: none"> <input type="checkbox"/> 01-Determination of removed claim or cause 												
FRBP 7001(6) – Dischargeability <ul style="list-style-type: none"> <input type="checkbox"/> 66-Dischargeability - §523(a)(1),(14),(14A) priority tax claims <input checked="" type="checkbox"/> 62-Dischargeability - §523(a)(2), false pretenses, false representation, actual fraud <input type="checkbox"/> 67-Dischargeability - §523(a)(4), fraud as fiduciary, embezzlement, larceny 		Other <ul style="list-style-type: none"> <input type="checkbox"/> SS-SIPA Case – 15 U.S.C. §§78aaa et seq. <input type="checkbox"/> 02-Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case) 												
(continued next column)														
<input type="checkbox"/> Check if this case involves a substantive issue of state law		<input type="checkbox"/> Check if this is asserted to be a class action under FRCP 23												
<input type="checkbox"/> Check if a jury trial is demanded in complaint		Demand \$												
Other Relief Sought														

BANKRUPTCY CASE IN WHICH THIS ADVERSARY PROCEEDING ARISES		
NAME OF DEBTOR Monica Nicole Olivas		BANKRUPTCY CASE NO. 2:14-bk-15837
DISTRICT IN WHICH CASE IS PENDING C.D. Cal.	DIVISIONAL OFFICE Los Angeles	NAME OF JUDGE Judge Robert Kwan
RELATED ADVERSARY PROCEEDING (IF ANY)		
PLAINTIFF	DEFENDANT	ADVERSARY PROCEEDING NO.
DISTRICT IN WHICH ADVERSARY IS PENDING	DIVISIONAL OFFICE	NAME OF JUDGE
SIGNATURE OF ATTORNEY (OR PLAINTIFF)		
DATE 7/7/14	PRINT NAME OF ATTORNEY (OR PLAINTIFF) Shawn Luna	

INSTRUCTIONS

The filing of a bankruptcy case creates an "estate" under the jurisdiction of the bankruptcy court which consists of all of the property of the debtor, wherever that property is located. Because the bankruptcy estate is so extensive and the jurisdiction of the court so broad, there may be lawsuits over the property or property rights of the estate. There also may be lawsuits concerning the debtor's discharge. If such a lawsuit is filed in a bankruptcy court, it is called an adversary proceeding.

A party filing an adversary proceeding must also complete and file Form 104, the Adversary Proceeding Cover Sheet, unless the party files the adversary proceeding electronically through the court's Case Management/Electronic Case Filing system (CM/ECF). (CM/ECF captures the information on Form 104 as part of the filing process.) When completed, the cover sheet summarizes basic information on the adversary proceeding. The clerk of court needs the information to process the adversary proceeding and prepare required statistical reports on court activity.

The cover sheet and the information contained on it do not replace or supplement the filing and service of pleadings or other papers as required by law, the Bankruptcy Rules, or the local rules of court. The cover sheet, which is largely self-explanatory, must be completed by the plaintiff's attorney (or by the plaintiff if the plaintiff is not represented by an attorney). A separate cover sheet must be submitted to the clerk for each complaint filed.

Plaintiffs and Defendants. Give the names of the plaintiffs and defendants exactly as they appear on the complaint.

Attorneys. Give the names and addresses of the attorneys, if known.

Party. Check the most appropriate box in the first column for the plaintiffs and the second column for the defendants.

Demand. Enter the dollar amount being demanded in the complaint.

Signature. This cover sheet must be signed by the attorney of record in the box on the second page of the form. If the plaintiff is represented by a law firm, a member of the firm must sign. If the plaintiff is pro se, that is, not presented by an attorney, the plaintiff must sign.